

DAVID Y. IGE
Governor

JOSH GREEN
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER
Acting Chairperson
Board of Agriculture

State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

TESTIMONY OF THE DEPARTMENT OF AGRICULTURE
BEFORE THE HOUSE COMMITTEE ON AGRICULTURE

FEBRUARY 8, 2019
11:00 A.M.
CONFERENCE ROOM 312

HOUSE BILL NO. 1481
RELATING TO AGRICULTURE

Chairperson Creagan and Members of the Committee:

Thank you for the opportunity to present testimony on House Bill 1481. This bill establishes a five-year pilot program within the Department of Agriculture's agricultural loan program to provide loans that do not incur interest or require payments for three years. The Department of Agriculture supports the bill provided it does not impact the Department's priorities listed in the Executive Budget and offers the following comments.

The Department supports the bill but would recommend clarification that the five-year pilot program is solely for emergency loans and that the period of no repayment be flexible depending on the operation as some operations may return to profitability faster. The Department would also recommend that sufficient funding be provided to assist farms affected by the recent lava flows and Hurricane Lane and that the Agricultural Loan Division's positions in the Department's budget be maintained to allow for sufficient staffing to make and service the proposed loans

Thank you for the opportunity to testify on this measure.



HB-1481

Submitted on: 2/6/2019 1:44:17 PM

Testimony for AGR on 2/8/2019 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Karen Winslow	Hawaii Farmers Union	Support	No

Comments:

HB-1481

Submitted on: 2/7/2019 10:47:27 AM

Testimony for AGR on 2/8/2019 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:



P.O. Box 253, Kunia, Hawai'i 96759
Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

February 8, 2019

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE

TESTIMONY ON HB 1481
RELATING TO AGRICULTURAL LOANS

Room 312
11:00 AM

Aloha Chair Creagan, Vice Chair DeCoite, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawaii Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,900 farm family members statewide, and serves as Hawaii's voice of agriculture to protect, advocate and advance the social, economic and educational interests of our diverse agricultural community.

The Hawaii Farm Bureau supports HB 1481, which establishes a five-year pilot program within the Department of Agriculture for agricultural loans that do not incur interest or require payments for three years.

2018 was a particularly difficult year for Hawaii's farmers and ranchers. The historic torrential rains and disastrous floods on Kauai and Oahu in April, the Kilauea eruption which caused devastation from lava and ash on Hawaii Island, Hurricane Lane and Tropical Storm Olivia were major natural disasters that had a drastic impact to Hawaii's agriculture industry. Unfortunately, Hawaii farmers and ranchers have been and will continually be impacted by damaging weather or natural disasters such as epidemic disease, pest outbreaks, high wind, thunderstorms, hurricanes, fire, flood, earthquakes, lava flow, vog or other volcanic activity, droughts, and tidal waves.

A loan program that deferred payment and interest for 3 years would assist farmers and ranchers impacted by natural disasters by increasing the availability of the capital needed to help repair damaged infrastructure, replant crops, or replace equipment and supplies which would allow them to continue farming or ranching.

Thank you for this opportunity to testify on this important subject.



Email: communications@ulupono.com

HOUSE COMMITTEE ON AGRICULTURE
Friday, February 8, 2019 — 11:00 a.m. — Room 312

Ulupono Initiative Supports HB 1481 with an Amendment, Relating to Agricultural Loans

Dear Chair Creagan, Vice Chair DeCoite, and Members of the Committee:

My name is Murray Clay and I am Managing Partner of Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally produced food; increase affordable, clean, renewable energy; and better manage waste and fresh water resources. Ulupono believes that self-sufficiency is essential to our future prosperity and will help shape a future where economic progress and mission-focused impact can work hand in hand.

Ulupono supports HB 1481 with an Amendment, which establishes a five-year pilot program within the Department of Agriculture for agricultural loans that do not incur interest or require payments for three years, because it aligns with our goal to increase local food production.

One major persistent and formidable obstacle to expanding, diversifying, and ensuring the sustainability of Hawai'i's local food production is the need for substantial investment in agricultural infrastructure, technologies, facilities, training, and production activities. This is especially true for farmers and ranchers who have faced natural disasters. Yet, our local farmers and ranchers have few options for agricultural financing.

The agricultural loan revolving fund is one of the many ways the State has been supportive of agriculture in Hawai'i over the years. We support this proposed pilot program to provide agricultural loans that do not incur interest or require payments for three years. We also urge this committee to continue to support funding for the revolving fund to help increase local food production.

A suggested amendment would be to include ranchers in this bill. Pasture lands comprise 761,429 acres of land in Hawai'i and represent 83 percent of all agricultural lands¹. Of all lands in Hawai'i, 19 percent are pasture lands². Ranchers play a significant role in Hawai'i's agricultural sector and due to their acreage are often affected most by natural disasters.

¹ 761,429 pasture acres / 913,261 agricultural acres (83%) - 2015 Statewide Agricultural Land Use Baseline

² 761,429 pasture acres / 4,110,976 total acres (19%)

Investing in a Sustainable Hawai'i



As Hawai'i's local food issues become increasingly complex and challenging, organizations need additional resources and support to address and overcome them. We appreciate this committee's efforts to look at policies that support local food production.

We believe that through collaboration, we can help produce more local food and support an economically robust homegrown agriculture industry, which strengthens our community with fresh, healthy food. Thank you for this opportunity to testify.

Respectfully,

Murray Clay
Managing Partner

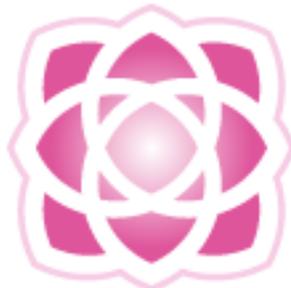
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HB-1481

Submitted on: 2/7/2019 6:53:44 PM
Testimony for AGR on 2/8/2019 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
David Mulinix	Our Revolution Hawaii	Support	No

Comments:



MAUI
CHAMBER OF COMMERCE
VOICE OF BUSINESS

LATE

**HEARING BEFORE THE HOUSE COMMITTEE ON AGRICULTURE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 312
FRIDAY, FEBRUARY 8, 2019 AT 11:00 A.M.**

To The Honorable Richard P. Creagan, Chair;
The Honorable Lynn DeCoite, Vice Chair; and
Members of the Committee on Agriculture,

TESTIMONY IN SUPPORT OF HB 1481 RELATING TO AGRICULTURAL LOANS

Aloha, my name is Pamela Tumpap and I am the President of the Maui Chamber of Commerce with approximately 650 members. I am writing share our support of HB 1481.

Agriculture is a very important industry to our community, but it is a difficult industry to successfully start and operate. Farming is very hard work and requires many high, upfront investment costs. There are also a number of unpredictable costs and factors that farmers face once established. We support efforts that seek to spur agriculture. Therefore, we support this bill to establish a 5-year pilot program for agricultural loans that do not incur interest or require payments for 3 years.

Mahalo for your consideration of our testimony and we hope you will move this bill forward.

Sincerely,

Pamela Tumpap

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique

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HB-1481

Submitted on: 2/8/2019 9:52:10 AM
Testimony for AGR on 2/8/2019 11:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
De MONT R. D. CONNER	Ho'omanapono Political Action Committee (HPAC)	Support	Yes

Comments:

WE STRONGLY SUPPORT THIS BILL.